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Honorable Patricia C. Williams
Chapter 11

17 UNITED STATES BANKRUPTCY COURT
18 EASTERN DISTRICT OF WASHINGTON
19 AT SPOKANE
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21 In re
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23 PREMIUM DEVELOPMENTS, LLC,
24
25 Debtor.
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No. 09-06746-PCW11

DEBTOR'S SUPPLEMENTAL RESPONSE
RE UNITED STATES TRUSTEE'S MOTION
TO DISMISS OR CONVERT CHAPTER 11
CASE

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32 Premium Developments, LLC, Chapter 11 Debtor, by and through counsel, J. Todd
33 Tracy and Crocker Law Group PLLC, respectfully submits this supplemental response to
34 the United States Trustee's Motion to Dismiss or Convert Chapter 11 Case:
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38 The Debtor, through Mr. White, has "turned over every rock" in an effort to find
39 debtor-in-possession financing to allow it to seek confirmation of its plan of
40 reorganization. Unfortunately, the economic climate in general, and the lending climate
41 with regard to raw land in particular have proven to be a most formidable, and
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DEBTOR'S SUPPLEMENTAL RESPONSE RE UNITED
STATES TRUSTEE'S MOTION TO DISMISS OR
CONVERT CHAPTER 11 CASE - 1

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1 unsuccessful barrier. The Debtor, despite its best efforts, is unable to provide the Court
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3 with confirmation that exit financing will be available.
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5 Based on the foregoing, the Debtor consents to dismissal of the case.
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8 In the interests of full disclosure to the Court, the Debtor advises the Court and
9
10 the United States Trustee that it has recently negotiated three lot sales from Catalina
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12 Crest, similar to lot sales previously approved by the Court. The Debtor has also
13
14 received an offer from Prem Loans to do a § 363 “short” sale of its collateral, with a less
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16 than full credit toward the outstanding debt. These sales will benefit the secured creditors
17
18 by reducing their respective claims, but will not generate any type of recovery for the
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20 estate and other creditors. Therefore, the Debtor does not believe conversion will benefit
21
22 the estate in any meaningful way.
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25 WHEREFORE, the Debtor requests that the Court enter an order dismissing the
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27 case.
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30 DATED this 28th day of April 2011.
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33 CROCKER LAW GROUP PLLC
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36 By /s/ J. Todd Tracy
37 J. Todd Tracy, WSBA #17342
38 Attorneys for Debtor
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CERTIFICATE OF SERVICE

I hereby certify that on April 28, 2011, I caused a copy of the foregoing to be served via CM/ECF on the following parties:

Michael A Arch on behalf of Creditor East Wenatchee Water District
raejeank@archlawfirm.com , @archlawfirm.com

J Patrick Aylward on behalf of Creditor Forsgren Associates, Inc. PatA@jdsalaw.com ,
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Erik S Bakke on behalf of Creditor Carlis Chaussee erik@bakkellawgroup.com ,
@bakkellawgroup.com

Gary W Dyer on behalf of U.S. Trustee US Trustee .W.Dyer@usdoj.gov

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Clay M Gatens on behalf of Creditor Harris Orchard, L.P. clayg@jdsalaw.com ,
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William L Hames on behalf of Interested Party Developments Diversified Corporation
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16 Rolf Tangvald on behalf of Creditor INTERNAL REVENUE SERVICE U S A
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19

20 US Trustee .REGION18.SP.ECF@usdoj.gov
21

22
23 Brian A Walker on behalf of Creditor Cashmere Valley Bank @omwlaw.com
24 @omwlaw.com
25

26 I declare under penalty of perjury that the foregoing is true and correct.
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29 EXECUTED this 28th day of April 2011, at Seattle, Washington.
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32 *Nancy Hunter*

33 _____
34 Nancy Hunter, CBA
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